How COVID-19 Is a Rehearsal for Retirement

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COVID-19 is affecting every person on earth. We are all social distancing and likely worrying about our finances. But, this disease is also giving us a chance to reconnect with friends and loved ones through technology. And, perhaps more importantly, it's providing all of us a practice run at what retirement will actually be like.

Yes, countless older and younger working adults are concerned about how COVID-19's impact on investments may have derailed their retirement plans. But the fear of running out of money is only one dimension of retirement. COVID-19 has also caused drastic changes to daily routines and has brought many of us face to face with one of the biggest challenges in retirement—namely, what do you do with all your time?

If COVID-19 has become a sort of frustrating, repetitive blurring of days, you may be starting to gain a better understanding of what retirement may truly be like. ***In fact, for many retirees, structuring the day becomes a chore, rather than freedom from work***. And while identifying and pursuing activities in the middle of a global contagion may be a lot to ask for, the pandemic certainly gives us time to understand what life will be like without the daily grind.

A question of health

Additionally, COVID-19 has poignantly spotlighted the urgency of taking care of our own mental and physical health as well as that of our loved ones. Suddenly, all of us are faced with the question, if I become ill, who will care for me and who will care for those that I love? The truth is that most of us will need some help in our advancing years. However, at the MIT AgeLab, we've found that few people have planned for how they will receive care or provide it to others.

Your retirement fire drill

Toronto-based Darren Coleman, Senior Vice President at Coleman Wealth at Raymond James, Ltd., describes the impact of COVID-19 as a "retirement fire drill for all of us."

Retirement is something that we save for and may even look forward to. But, distracted as we are by brochure images of beaches, bars and boats, we rarely see retirement for what it is—a seismic shift in life that must be prepared for.

The COVID-19 shutdown of work as we know it, social distancing, endless hours at home or at best in the neighborhood, is a trial run of life in retirement. An imperfect test? Yes, but your current COVID-19 experience is closer to what you may confront in retirement than any computer program querying you about your “retirement objectives.” Take this moment to think about how well you are truly preparing for this entirely new life stage known as retirement:

- What will you do each day once you stop working?
- What will get you up for the likely 8,000 distinct mornings in retirement?
- Do you have a bucket list that doesn’t last only for weeks or months, but one that lasts for decades?
- How will you take care of your mental and physical health?
- How will you provide care to a loved one—and have you put into place your own care plan for older age?

These are just a few COVID-19 trial run questions about life in retirement. For more information on how to redefine your retirement, click here.

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